2001 DRAFTING REQUEST

Bill

Received: 09/27/2000					Received By: nilsepe			
Wanted: As time permits For: Administration-Budget					Identical to LRB: By/Representing: Etzler			
May Co	May Contact:							
Subject: Transportation - mass transit								
Pre Top	pic:							
DOA	Etzler - T027							
Topic:								
Mass tra	ansit aid based o	on projected ex	penses					
Instruc	tions:							
See Atta	ached							
Draftin	g History:							
Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required	
/?	nilsepe 09/27/2000	hhagen 09/27/2000					S&L	
/P1			martykr 09/28/20	00	lrb_docadmin 09/28/2000		S&L	
/1	fasttn 11/02/2000	hhagen 11/06/2000	martykr 11/06/20	00	lrb_docadmin 11/06/2000			
FE Sent	For:							

<END>

2001 DRAFTING REQUEST

•	٠.	11
	Ζż	11
	"	

Received: 09/27/2000 Wanted: As time permits					Received By: nilsepe			
				Identical to LRB:				
For: Adn	ninistration-B	Budget			By/Representing: Etzler			
This file may be shown to any legislator: NO				Drafter: nilsepe			•	
May Con	ntact:				Alt. Drafters:			
Subject:	Transp	ortation - mass	s transit		Extra Copies:	РЈН, Т	Name of the second	
Pre Top	ic:			<u> </u>		<u>.</u>		
DOA:	.Etzler - T027	,						
Topic:		·						
Mass tran	nsit aid based o	on projected exp	penses					
Instruct	ions:						<u> </u>	
See Attac	ched	·						
Drafting	History:		· · · · · · · · · · · · · · · · · · ·					
Vers.	<u>Drafted</u>	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required	
/?	nilsepe 09/27/2000	hhagen 09/27/2000					S&L	
/P1		·	martykr 09/28/2000	0	lrb_docadmin 09/28/2000			
FE Sent I	For:	1. hml 1.16100	Vn'/6	Km /	Le Le			
						•		

2001 DRAFTING REQUEST

Bill

Received:	09/27/2000	
ACCOULTOUS T	U <i>JI & I I &</i> WW	

Received By: nilsepe

Wanted: As time permits

Identical to LRB:

For: Administration-Budget

By/Representing: Etzler

This file may be shown to any legislator: NO

Drafter: nilsepe

May Contact:

Alt. Drafters:

Subject:

Transportation - mass transit

Extra Copies:

PJH, TNF

Pre Topic:

DOA:.....Etzler - T027,

Topic:

Mass transit aid based on projected expenses

Instructions:

See Attached

Drafting History:

Vers.

Drafted

Reviewed

Typed

Proofed

Submitted

Jacketed

Required

/?

nilsepe

.

101 hmh &

35

De14 1/28

FE Sent For:

<**END>**

LEGISLATIVE BUDGET/NON-BUDGET PROPOSAL 2001-2003 BIENNIUM

DT1586 5/2000

Short Title of Topic

Instructions: Complete this form for any budget/non-budget legislative initiative for which a Division requests the Secretary's Office (SO) approval. Check the budget box only if the proposal has a fiscal impact on department expenditures or revenue. This form must be signed by the Division Administrator(s). Include this form with your budget submittal materials or return two completed copies to the Office of Policy & Budget (OPB), Attention: Jim Hoelzel. One copy will be retained by OPB and the other copy provided to the Office of General Counsel. The form is available in the department forms catalog on dotnet.

Change the state urban mass	transit operating assista	nce formula distribution methodo	logy.
Type of Proposal Budget Non-Budget	OGC OFFICE USE ONLY "T" Number Assigned	"B" Number Assigned	"NB" Number Assigned
Date Submitted July 13, 2000		Division(s) Division of Transportation In	vestment Management
OPB Contact Person Catherine Lorence		Area Code - Telephone Number (608) 264-9522	
Lead Division Contact Person Richard A. Martin		Area Code - Telephone Number (608) 266-6812	
OGC Contact Person Joe Maassen		Area Code - Telephone Number (608) 266-7364	•
figures that are unreliable, and complex to administer and rew new methodology, point out the state and federal aids ranges ficosts, a 40% point spread. The funding which has nothing to de Description of Proposed Change. The proposed changes would reserve to administration of Proposed Changes.	that results in an inequity rards systems for reducing inequities. For Tier B system 50.1% to 69.6%. For ecurrent formula negative with performance standard modify s.85.20 (4m) (a) (b)	able distribution of state and fedeng service. CY 2000 contracts, whystems, the percentage of costs of Tier C systems, the range is from the systems, provely impacts transit systems, provensely impacts transit systems.	om 54.8% to 94.8% of current year riding a wide discrepancy in ate language that bases aid
accomplish this objective, and i reimbursing a transit system for	it is opposed by the Wisc r 94.8% of its current yea	ncrease the level of predictability consin transit community. Further ar costs is not sound public polic	r, it can be argued that
Describe any legislative history and related s Several legislators have been o change in the state aid distribut distribution methodology based	contacted by transit mana ion methodology. Severa	agers, and most were surprised a al have agreed to support legisla ed costs.	at the consequences of the tion that would return to a
		MI	Jan 1
		(Division Administrator Signature)	(Date)
		(Division Administrator Signature)	(Date)
		(Division Administrator Signature)	(Date)



2

State of Misconsin 2001 - 2002 LEGISLATURE

PEN COLL

DOA:.....Etzler – T027, Mass transit aid based on projected expenses

FOR 2001–03 BUDGET — NOT READY FOR INTRODUCTION

Do Dotor.

AN ACT ...; relating to: basing urban mass transit operating assistance payments

on projected expenses.

Analysis by the Legislative Reference Bureau

∕TRANSPORTATION

✓ TRANSPORTATION AIDS

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems. Aid paid for mass transit systems having annual operating expenses of \$20,000,000 or more (Tier A systems) is paid in a sum certain, while aid payable for smaller mass transit systems is determined under a formula. Under the formula, DOT makes state aid payments in amounts sufficient to ensure that the combination of state and federal aids contributed toward the operating expenses of an urban mass transit system equals the uniform percentage established by DOT for each of the two smaller classes of mass transit system. The percentage varies for the two smaller classes of mass transit systems but is uniform for all mass transit systems within a class. The two smaller classes are: 1) mass transit systems serving urban areas having a population of more than 50,000 but having annual operating expenses of less than \$20,000,000 (Tier B systems); and 2) mass transit systems serving urban areas having a population of less than 50,000 (Tier C systems). "Operating expenses" used in this aid formula are based on actual operating costs from the second preceding year, with adjustments for the projected expenses of new services, for which historical cost data is not available.

Mon

2

3

5

6

7

8

9

10

11

12

13

14

15

16

This bill deletes the requirement that annual transit aid payments for Tier B and Tier C systems be made based on actual operating costs from the second preceding year. The bill requires that annual state transit aid payments for Tier B and Tier C systems be based on estimated operating costs for that year, effective with calendar year 2001 payments.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 85.20 (4) (rp) of the statutes is repealed.

****Note: Section 85.20 (4r) seems unnecessary, since projected costs will again be used to establish transit aid amounts. Is it OK to delete this subsection?

SECTION 2. 85.20 (4m) (a) (intro.) of the statutes is amended to read:

85.20 (4m) (a) (intro.) The department shall pay annually to the eligible applicant described in subd. 6. cm. the amount of aid specified in subd. 6. cm. The department shall pay annually to the eligible applicant described in subd. 6. d. the amount of aid specified in subd. 6. d. The department shall allocate an amount to each eligible applicant described in subd. 7. or 8. to ensure that the sum of state and federal aids for the projected operating expenses of each eligible applicant's urban mass transit system is equal to a uniform percentage, established by the department, of the projected operating expenses of the mass transit system for the calendar year. For calendar year 1999, the operating expenses used to establish the uniform percentage shall be the projected operating expenses of an urban mass transit system. Subject to sub. (4r), for calendar year 2000 and thereafter the operating expenses used to establish the uniform percentage shall be the operating expenses incurred during the 2nd calendar year preceding the calendar year for which aid is paid under this section. The department shall make allocations as follows:

History: 1973 c. 90, 333; 1975 c. 39; 1977 c. 29; 1979 c. 34 ss. 911p, 911r, 2102 (52) (a); 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1202 to 1207, 1232 to 1233; Stats. 1981 s. 85.20; 1983 a. 27; 1985 a. 29; 1987 a. 27, 399, 1989 a. 31; 1991 a. 39, 239; 1993 a. 16, 279; 1995 a. 113, 201; 1997 a. 27; 1999 a. 9; 1999 a. 150 ss. 626, 672.

SECTION 9352. Initial applicability; transportation.



(1) Urban mass transit operating assistance. The treatment of sections 85.20 (4m) (a) of the statutes first applies to contracts for aid payable for calendar year 2001.

4

3

(END)

Fast, Timothy

From:

Buckmaster, Carol

Sent:

Tuesday, October 31, 2000 10:42 AM

To:

Fast, Timothy

Subject:

FW: Budget Draft T027, LRB-0559/P1

Tim - this one needs some changes.

----Original Message----

From:

Donlin, James

Sent:

Tuesday, October 31, 2000 10:32 AM

To:

Buckmaster, Carol

Cc:

Hoelzel, James

Subject:

Budget Draft T027, LRB-0559/P1

Carol,

For draft T027 - Mass transit aid based on projected expenses - LRB-0559/P1, Sections 1 and 3 are fine, but Section 2 is not. Section 2 repeals s. 85.20(4r) in its entirety. We prefer the section be amended as follows:

85.20(4r) EXPANSION OF SERVICE. An eligible applicant shall notify the department if the eligible applicant anticipates receiving new or expanded services provided by an urban mass transit system in a manner that will increase operating expenses. The eligible applicant shall provide the notice during the calendar year preceding the calendar year in which the new or expanded services will first be provided. The notice shall include an estimate of the projected annual operating expenses of the new or expanded services. The department may modify the projected annual operating expenses to an amount that the department considers reasonable. The department shall adjust the projected annual operating expenses for inflation and, for each calendar year for which actual operating costs of the new or expanded services are not known, shall add the adjusted projected annual operating expenses to the operating expenses used to determine the uniform percentage under sub. (4m)(a)(intro.).

Thanks.

Jim

D-NOTE

2001 - 2002 LEGISLATURE

(turned in 11/02/00)

LRB-0559/22 maker

PENSONNA paker

PENSONNA pas

TNF: (been stays run)

DOA:.....Etzler – T027, Mass transit aid based on projected expenses
FOR 2001–03 BUDGET — NOT READY FOR INTRODUCTION

operating protection

AN ACT ...; relating to: basing urban mass transit operating assistance payments

on projected expenses.

1

2

Analysis by the Legislative Reference Bureau TRANSPORTATION

TRANSPORTATION AIDS

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems. Aid paid for mass transit systems having annual operating expenses of \$20,000,000 or more (Tier A systems) is paid in a sum certain, while aid payable for smaller mass transit systems is determined under a formula. Under the formula, DOT makes state aid payments in amounts sufficient to ensure that the combination of state and federal aids contributed toward the operating expenses of an urban mass transit system equals the uniform percentage established by DOT for each of the two smaller classes of mass transit system. percentagovarias for the two smaller classes of mass transit systems but is uniform for all mass transit systems within a class. The two smaller classes are: 1) mass transit systems serving urban areas having a population of 50,000 or more but having annual operating expenses of less than \$20,000,000 (Tier B systems); and 2) mass transit systems serving urban areas having a population of less than 50,000 (Tier C systems). "Operating expenses" used in this aid formula are based on actual operating costs from the second preceding year, with adjustments for the projected expenses of new services, for which historical cost data is not available.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

NORThe bill also removes DOT authority to modify and adjust projected expenses of new services.

This bill deletes the requirement that annual transit aid payments for Tier B and Tier C systems be made based on actual operating costs from the second preceding year. The bill requires that annual state transit aid payments for Tier B and Tier C systems be based on estimated operating costs for that year, effective with calendar year 2001 payments.

For further information see the state and local fiscal estimate, which will be

printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 85.20 (4m) (a) (intro.) of the statutes is amended to read:

85.20 (4m) (a) (intro.) The department shall pay annually to the eligible applicant described in subd. 6. cm. the amount of aid specified in subd. 6. cm. The department shall pay annually to the eligible applicant described in subd. 6. d. the amount of aid specified in subd. 6. d. The department shall allocate an amount to each eligible applicant described in subd. 7. or 8. to ensure that the sum of state and federal aids for the projected operating expenses of each eligible applicant's urban mass transit system is equal to a uniform percentage, established by the department, of the projected operating expenses of the mass transit system for the calendar year. For calendar year 1999, the operating expenses used to establish the uniform percentage shall be the projected operating expenses of an urban mass transit system. Subject to sub. (4r), for calendar year 2000 and thereafter the operating expenses incurred during the 2nd calendar year preceding the calendar year for which aid is paid under this section. The department shall make allocations as follows:

**Note Section 85.20 (4r) seems unnecessary since projected costs will again be used to establish transit aid amounts. Is it OK to delete this subsection?

SECTION 2. 85.20 (44) of the statutes is Espealed

SECTION 9352. Initial applicability; transportation.

Insert 2-16

1 (1) URBAN MASS TRANSIT OPERATING ASSISTANCE. The treatment of section 85.20
2 (4m) (a) of the statutes first applies to contracts for aid payable for calendar year
3 (END)
D-NOTE

Insert 2-16

Section #. 85.20 (4r) of the statutes is amended to read:

85.20 (4r) Expansion of Service. An eligible applicant shall notify the department if the eligible applicant anticipates receiving new or expanded services provided by an urban mass transit system in a manner that will increase operating expenses. The eligible applicant shall provide the notice during the calendar year preceding the calendar year in which the new or expanded services will first be provided. The notice shall include an estimate of the projected annual operating expenses of the new or expanded services. The department may modify the projected annual operating expenses to an amount that the department considers reasonable. The department shall adjust the projected annual operating expenses for inflation and, for each calendar year for which actual operating costs of the new or expanded services are not known, shall add the adjusted projected annual operating expenses to the operating expenses used to determine the uniform percentage under sub. (4m) (a)—(intro.).

History: 1973 c. 90, 333; 1975 c. 39; 1977 c. 29; 1979 c. 34 ss. 911p, 911r, 2102 (52) (a); 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1202 to 1207, 1232 to 1233; Stats. 1981 s. 85.20; 1983 a. 27; 1985 a. 29; 1987 a. 27, 399; 1989 a. 31; 1991 a. 39, 239; 1993 a. 16, 279; 1995 a. 113, 201; 1997 a. 27; 1999 a. 9; 1999 a. 150 ss. 626, 672.

STATE OF WISCONSIN – **LEGISLATIVE REFERENCE BUREAU** – LEGAL SECTION (608–266–3561)

IRR-OCT9/120
LRB-0559/1dn TNF: hmhacis:
INT. hmhd cjs:
DRAFTERY NOTE
Daleline)
This draft is identical to LRB-0559/PI, except
that it amends (rather than repeals) s.
85.20 (4r), stats.
TNE

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0559/1dn TNF:hmh&ejs:km

November 6, 2000

This draft is identical to LRB-0559/P1, except that it amends (rather than repeals) s. 85.20 (4r), stats.

Timothy N. Fast Senior Legislative Attorney Phone: (608) 266–9739

E-mail: tim.fast@legis.state.wi.us



2

State of Misconsin 2001 - 2002 LEGISLATURE

LRB-0559/1 TNF:hmh&cjs:km

DOA:.....Etzler – T027, Mass transit aid based on projected expenses

FOR 2001–03 BUDGET — NOT READY FOR INTRODUCTION

AN ACT ...; relating to: basing urban mass transit operating assistance payments on projected operating expenses.

Analysis by the Legislative Reference Bureau TRANSPORTATION

TRANSPORTATION AIDS

Under current law, DOT provides state aid payments to local public bodies in urban areas served by mass transit systems to assist the local public bodies with the expenses of operating those systems. Aid paid for mass transit systems having annual operating expenses of \$20,000,000 or more (Tier A systems) is paid in a sum certain, while aid payable for smaller mass transit systems is determined under a formula. Under the formula, DOT makes state aid payments in amounts sufficient to ensure that the combination of state and federal aids contributed toward the operating expenses of an urban mass transit system equals the uniform percentage established by DOT for each of the two smaller classes of mass transit system. The two smaller classes are: 1) mass transit systems serving urban areas having a population of 50,000 or more but having annual operating expenses of less than \$20,000,000 (Tier B systems); and 2) mass transit systems serving urban areas having a population of less than 50,000 (Tier C systems). "Operating expenses" used in this aid formula are based on actual operating costs from the second preceding year, with adjustments for the projected expenses of new services, for which historical cost data is not available.

This bill deletes the requirement that annual transit aid payments for Tier B and Tier C systems be made based on actual operating costs from the second preceding year. The bill requires that annual state transit aid payments for Tier B and Tier C systems be based on estimated operating costs for that year, effective with calendar year 2001 payments. The bill also removes DOT authority to modify and adjust projected expenses of new services.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 85.20 (4m) (a) (intro.) of the statutes is amended to read:

85.20 (4m) (a) (intro.) The department shall pay annually to the eligible applicant described in subd. 6. cm. the amount of aid specified in subd. 6. cm. The department shall pay annually to the eligible applicant described in subd. 6. d. the amount of aid specified in subd. 6. d. The department shall allocate an amount to each eligible applicant described in subd. 7. or 8. to ensure that the sum of state and federal aids for the projected operating expenses of each eligible applicant's urban mass transit system is equal to a uniform percentage, established by the department, of the projected operating expenses of the mass transit system for the calendar year. For calendar year 1999, the operating expenses used to establish the uniform percentage shall be the projected operating expenses of an urban mass transit system. Subject to sub. (4r), for calendar year 2000 and thereafter the operating expenses used to establish the uniform percentage shall be the operating expenses incurred during the 2nd calendar year preceding the calendar year for which aid is paid under this section. The department shall make allocations as follows:

SECTION 2. 85.20 (4r) of the statutes is amended to read:

85.20 (4r) EXPANSION OF SERVICE. An eligible applicant shall notify the department if the eligible applicant anticipates receiving new or expanded services

provided by an urban mass transit system in a manner that will increase operating expenses. The eligible applicant shall provide the notice during the calendar year preceding the calendar year in which the new or expanded services will first be provided. The notice shall include an estimate of the projected annual operating expenses of the new or expanded services. The department may modify the projected annual operating expenses to an amount that the department considers reasonable. The department shall adjust the projected annual operating expenses for inflation and, for each calendar year for which actual operating costs of the new or expanded services are not known, shall add the adjusted projected annual operating expenses to the operating expenses used to determine the uniform percentage under sub. (4m) (a) (intro.).

Section 9352. Initial applicability; transportation.

(1) Urban mass transit operating assistance. The treatment of section 85.20 (4m) (a) (intro.) and (4r) of the statutes first applies to contracts for aid payable for calendar year 2001.

(END)